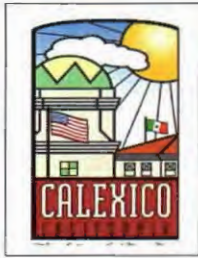


**AGENDA
ITEM**


1




AGENDA STAFF REPORT

DATE: November 7, 2022

TO: Mayor and City Council

APPROVED BY: Esperanza Colio Warren, City Manager 

PREPARED BY: Sandra L. Fonseca, Interim Finance Director 

SUBJECT: 2022-23 1st Quarter Budget Status Report, Proposed Budget Amendment Resolution, and Findings Relating to Funding Certain Public Improvements

=====

Recommendation:

It is recommended that the City Council receive a briefing on the 1st quarter status of the 2022-23 Budget, along with an update on the 2021-22 preliminary year-end results, and consider a resolution to amend both the 2021-22 and 2022-23 budgets to reflect current trends and available balances. The proposed budget amendment makes various updates to the capital improvement program. The proposed resolution also makes findings relating to funding certain public improvements from Successor Agency Bond proceeds.

Background:

The City Council reaffirmed and updated the City's 2022-23 budget on August 10, 2022. A 1st quarter budget report is provided at this time to update the General Fund's Fund Balance projection for preliminary 2021-22 (unaudited) results and to monitor budget compliance through the 1st quarter of the 2022-23 fiscal year.

Preliminary 2021-22 General Fund results show revenues exceeding expenditures and an improving fund balance reserve for the sixth consecutive fiscal year. To strengthen the City's commitment to financial planning and stability, a 2021-22 budget amendment is proposed to initiate two new dedicated reserves. The proposed budget amendment authorizes General Fund transfers to establish a reserve for the General Capital program and also to establish a reserve to begin amortizing the City's liability for unfunded employee leave obligations. These actions position the City to begin planning for its future capital requirements while also continuing to reduce its long-term obligations.

Looking to the current fiscal year, a 2022-23 General Fund budget amendment is proposed to recognize positive revenue trends and to use these additional revenues to augment budgets in the Planning & Building, Park Maintenance, and Police programs. Budget updates are also proposed for the Capital

**AGENDA
ITEM**

!

Program to close out the Fire Station #1 project; to make urgent repairs/improvements to City Facilities; and to update the allocation of ARPA (American Rescue Plan Act) grant funds.

On August 2, 2016, City and Successor Agency entered into a Bond Expenditure Agreement, which was approved by the California Department of Finance on November 11, 2016, that enabled the Successor Agency to transfer unspent former redevelopment agency bond proceeds to the City to fund capital projects benefiting the Redevelopment Project Area. The proposed budget amendment updates the projects to be funded from these bond proceeds, including Fire and Police buildings. Findings are proposed regarding the expenditure of these bond proceeds to comply with the State Codes governing these funds.

Discussion & Analysis:

2022-23 Year-to-Date Expenditures

The City has completed the first quarter of the 2022-23 fiscal year on track within its expected expenditure trend. A summary of city-wide year-to-date expenditures by fund is presented in **Attachment A**. The General Fund has expended 26% of its budget through October 6, 2022, and is on track with its adopted budget. Other program expenditures outside of the General Fund are largely dependent upon the timing of capital projects.

2021-22 General Fund Preliminary (Unaudited) Results and Updated Fund Balance Projection

The 2021-22 Year-end Close is moving forward and preliminary (pre-audit) General Fund results are presented in this report. This projection is provided to assist City Council in assessing and investing 2021-22 budget savings based upon the most currently available information. Some minor 2021-22 year-end adjustments will continue as final revenues and expenditures are recorded, but the overall June 30, 2022 General Fund financial position is ahead of budget and presents an opportunity to begin investing one-time year-end funds to meet long-term capital and debt financial planning objectives.

The General Fund is on track to end the 2021-22 year with a fund balance of \$2.9 million, or 60 days of annual expenditures. With proposed budget adjustments, annual revenues exceed annual expenditures by \$818,000. A detailed summary of current projections for the General Fund is presented in **Attachment B**.

A condensed summary of General Fund results follows here for reference:

2021-22 General Fund Results

	Projected June 2022	Preliminary Actual Nov 7, 2022	Favorable (Unfavorable) to Budget Projection June 9, 2022
Revenues	\$ 18,122,348	\$ 18,373,522	\$ 251,174
Salary and Active Benefits	10,991,829	10,574,093	417,736
Operations	3,782,987	3,874,660	(91,673)
Capital, Debt, Pension, Retiree Medical	2,697,033	2,488,296	208,737
Proposed Transfer/Local Capital Fund	600,000	517,500	82,500
Proposed Transfer/Employee Leave ISF	-	100,000	(100,000)
	<u>18,071,849</u>	<u>17,554,549</u>	<u>517,300</u>
Annual Operating Results/Addition to Reserve	<u>\$ 50,499</u>	<u>\$ 818,974</u>	<u>\$ 768,474</u>
Ending Fund Balance Reserve (Including Measure H)	<u>\$ 2,174,468</u>	<u>\$ 2,900,386</u>	
Days of Operations	44	60	

S

The key sources of the City's positive 2021-22 year-end results include \$251,000 in revenue surplus; \$417,000 in salary and active employee benefit savings, and \$208,000 in Capital/Debt/Retiree Benefit savings. Active and retiree benefits costs were both lower than projection because of \$442,500 of combined rebates from the Active and Retiree Internal Service Funds due to favorable medical claims experience.

A portion of these savings are recommended for investment in the City's Capital and Debt reserves to further strengthen the City's commitment to financial planning and stability. A budget amendment is proposed to authorized the transfer of \$517,500 to the Local Capital Fund to fund expenditures approved in the 2022-23 budget and also to establish a \$250,000 General Capital Reserve. The prior June 9, 2022 Fund Projection had already included a placeholder \$600,000 Capital Fund transfer, so this recommendation is \$82,500 lower than the prior projection. The Capital Transfer has been reduced to provide funding for a second transfer to address/reduce the City's long-term debt obligations. The second budget amendment is proposed to transfer \$100,000 to initiate a new internal service fund to record and amortize the City's long-term obligation to employees for accumulated vacation and other leave balances. At June 2022, the General Fund obligation for employee leave balances is approximately \$1.7 million. The proposed transfer makes an initial contribution towards the retirement of this unfunded obligation.

After these proposed transfers, the net 2021-22 revenue/expenditure operating results of \$818,000 are added to the General Fund Reserve. The City's General Fund is combined with Measure H in the City's annual financial statements, which consolidate unrestricted funds of the City. Together, the combined General and Measure H Fund Balance reserves have improved to \$2.9 million, and reach an important industry benchmark, established by the Government Finance Officers Association, equal to two months/60 days of operations.

General Fund Revenues

A summary of General Fund revenue history and projections is presented in **Attachment C.**

Total 2021-22 General Fund annual revenues were \$18.3 million. In total, 2021-22 General Fund revenues exceeded projections by \$250,000 and were 10% above the prior year. Transient Tax revenues and Program revenues for the Planning/Building, Police, and Recreation departments contributed to the 2021-22 revenue surplus as community activity continued to emerge from Covid impacts.

General Fund Expenditures

A summary of General Fund expenditure history and projections by department are presented in **Attachment D.** Of particular note were positive 2021-22 employee and retiree medical benefit cost trends that enabled \$442,500 in program rebates from the internal service funds while still maintaining the internal service target reserve levels. The 2021-22 revenue surplus, along with expenditure cost savings, allow the City Council to consider authorizing transfers of \$517,500 to the Local Capital Fund and \$100,000 to the Employee Leave Obligations Internal Service Fund.

The Local Capital Fund transfer will provide funds to cover capital projects approved in the 2022-23 budget and will also establish a General Capital reserve of \$250,000. This is a discretionary reserve that will be available to the City Council to meet unexpected facility or other capital requirements and will help protect the General Fund from unexpected, midyear capital funding requests.

The Employee Leave Obligation transfer will take a first step towards amortizing the General Fund's \$1.7 million obligation for accumulated employee vacation and other leave balances accrued as of June 2022. With this transfer, a new Internal Service Fund will be established to record General Fund employee obligations and to begin to accumulate resources to meet this obligation and reduce the City's long-term debt. This reserve will help to protect the annual General Fund budget from unexpected expenditure spikes when employees retire or separate from the City with large leave payouts.

The proposed resolution includes a 2021-22 budget amendment to authorize these transfers along with offsetting revenue/expenditure budget lines to maintain a balanced budget. Including this proposed transfer, the General Fund realized approximately \$517,000 in net expenditure savings vs. the most recent June 9, 2022 projection.

The combined 2021-22 General Fund revenue surplus and expenditure savings provide an approximate \$818,000 increase to General Fund Balance. With these results, the City continues to build its reserves and achieves the 60-day operating reserve recommended by the Government Finance Officers Association and adopted by the City Council in its budget policy resolution (July 20, 2022).

2021-22 Measure H Fund

Measure H revenues for the year were \$3.4 million, a 9% growth from covid-period levels in the prior 2020-21 year. These revenues were slightly less than the budget projection but still allow for a fund balance accumulation. The ending fund balance reserve at June 2022 is \$82,000. In 2022, for the first year since the City's 2015 fiscal challenges, the Measure H budget policy returns to building a fund balance reserve. Attachment E presents an updated budget projection with this actual June 2022 fund balance and shows the six-year phase-in of the reserve policy adopted by the Measure H Committee.

2022-23 General Fund Projections and Proposed Budget Amendment

With 2021-22 actual results now available, the General Fund revenue projections for the current 2022-23 fiscal year have been updated based upon the prior year actual trend, as detailed in **Attachment C**. In total, the revenue projection has increased by \$219,000. Of this amount, \$162,000 is proposed for new expenditures and the balance is used to maintain the General Fund 60-day operating reserve.

Proposed new expenditures are proposed for the Planning & Building, Park Maintenance, and Police programs. \$50,000 in vendor contracts are proposed for Planning & Building to support applicant processing (\$25,000) and cannabis programs (\$25,000). To improve park maintenance, four temporary park maintenance workers are proposed for conversion to permanent employees to improve retention and service delivery. In the Police Department, a salary range adjustment is proposed for the vacant Police Chief position to facilitate recruitment.

Capital/Facility Expenditures

The proposed resolution authorizes a budget amendment to provide for additional capital investment in city facilities including additional funds for the Fire Station #1 project and for urgent repairs to other City Facilities, including the Library and Police buildings.

One source of revenue for proposed capital expenditures are from a swap in funding for the 2nd Street Bridge project. This swap replaces the 2nd Street Bridge project budget paid from Successor Agency bond proceeds with available restricted Measure D Street funds, with no change to the total 2nd Street Bridge project. This swap will free up less restrictive local bond proceeds (Successor Agency bond proceeds previously approved by the State for transfer to the City). **Attachment F** provides an updated look at the Measure D Fund projection and available reserve with this proposed change. Additional capital funding is proposed from updates to the ARPA (American Recovery Plan Act) allocation. A third revenue source might be available in the future if the City qualifies for emergency relief funds for recent storm damage to City facilities; however, this is unknown at this time and will be included in a future budget action if relief funds become available.

The Fire Station #1 has incurred project expenditures in excess of its original budget. The proposed budget adds \$1.8 million to the project budget for soft costs and pending change orders needed to close out the project and take occupancy of the building. The proposed funding for this budget addition draws on the proposed release of Successor Agency bond proceeds. Today's budget action amends the 2021-22 budget to bring the project into budget compliance

for the 2021-22 fiscal year-end close. The Fire Department will be returning to City Council separately to discuss project costs to date and to seek approval of the proposed contract change orders to complete the project.

The proposed budget amendment also authorizes capital spending on a list of City facilities. Each has urgent repair requirements that are generally the result of significant deferred maintenance and capital investment during the past decade of lean city budgets. A recent storm event also contributed to roof damage across many City facilities.

An additional capital project budget change is proposed for the Community Center lighting project. When updating the 2022-23 City-wide budget on August 10, 2022, two projects were proposed for transfer to the Measure H fund without consultation with the Measure H committee. Today's proposed action unwinds those transfers by funding Library capital requirements from bond proceeds and Community Center lighting from the General Fund transfer. This action restores the 2022-23 Measure H budget to the form approved by the Measure H committee in June 2022. Capital funding is also proposed for Fire and Technology equipment. The Fire Radio budget of \$105,000 is proposed to increase by \$37,000 to meet the \$142,000 current radio expenditure projection. A technology equipment budget of \$100,000 is proposed to add laptops for designated City employees, to improve efficiency and security over City data, and for a visual projection system for the City Council Chambers.

Collectively, \$3.5 million is proposed for addition to the City's capital budget, as listed below:

Proposed Capital Project Budget Updates

	<u>Successor Agency Bonds</u>	<u>ARPA</u>
Fire Station #1	\$ 1,872,000	
Fire Station #2/Mold Mitigation & Roof Repair	500,000	
Police Conference Room & Dispatch/Roof Repair	90,000	
Enrique Camarena Memorial Library/Restrooms, Roof		\$ 400,000
Community Senior Hall/Roof Repair		75,000
Fire Station No. 1 (Old Court House)/Roof Repair		50,000
Water Distribution Break Room/Roof		65,000
Calexico International Airport/Roof		50,000
City Hall/Council Chambers/Roof Repair		75,000
City Hall/Carpet Replacement		85,000
Carnegie Technology Center/3 AC Units Mini Split		35,000
Senior Hall Air Conditioning		15,000
Restrooms/Various Water Heaters		10,000
827 E. 7th Street/United Families (Lease Building)/Roof		65,000
827 E. 7th Street/United Families (Lease Building)/New AC		20,000
Community Center Lighting (Moved from Measure H)		32,000
Fire Radios (Increase from #411 budget of \$105,000)		37,000
Technology (Laptops, City Council Chamber Projection)		100,000
	<u>\$ 2,462,000</u>	<u>\$ 1,114,000</u>
Total		<u>\$ 3,576,000</u>

Attachment G provides an updated projection of the Local Capital Fund #411 activity and ending balance projection for the proposed \$250,000 General Capital Reserve.

Attachment H provides a summary of the Fund #255 American Rescue Plan Act project allocations. In addition to the proposed listed capital improvements, three contracts are proposed to support Planning/Building operations. These include contracts to finish the update of the City's Housing Element (\$150,000); development fee study (\$100,000); and evaluation/update of the department's operating processes (\$100,000). To pay for the new capital and Planning/Building operating contract allocations, a \$1.4 million reduction to the original Downtown ARPA project is proposed for a net zero impact to the total ARPA plan.

Fiscal Impact:

The June 30, 2022 ending General/Measure H Fund Balance is \$2.9 million (60 days of General Fund operations). With these results, the City has achieved the target fund balance reserve established in its budget policy resolution (July 20, 2022) that meets the industry benchmark recommended by the Government Finance Officers Association, and has done so ahead of schedule.

This 60-day reserve is also projected to provide the necessary cash balance needed to cover the annual General Fund working capital/cash flow requirements for the July to November gap until the County's distribution of property taxes in December, without internal borrowing.

With proposed transfers, the City is also strengthening its commitment to financial planning and stability by establishing and providing initial funding for a General Capital reserve and amortization of its employee leave debt obligations. As the City moves into planning for its next fiscal year budget, City Council will have the opportunity to further expand and develop its current fund balance reserve policy (adopted July 2022) to include these multiple objectives.

With these 2021-22 year-end results and proposed 2022-23 budget amendment, the City continues its consistent trend of annual improvements to its fiscal position and stability.

Attachment(s):

1. Budget Amendment Resolution

Exhibits:

- A. 2022-23 City-wide Expenditures – Summary of Year-to-Date Expenditures by Fund
- B. General Fund - Fund Balance Projection
- C. General Fund - Revenues
- D. General Fund - Expenditures by Department
- E. Fund 120 – Measure H Fund Projection
- F. Proposed Investment in Capital Projects and Other One-Time Items
- G. Fund 233 – Measure D Fund Projection
- H. Fund 411 – Local Capital Fund Projection
- I. Fund 255 – ARPA (American Rescue Plan Act)

RESOLUTION NO. 2022-__

RESOLUTION OF THE CITY OF CALEXICO APPROVING A 2022-23 MIDYEAR BUDGET AMENDMENT AND MAKING FINDINGS RELATING TO FUNDING CERTAIN PUBLIC IMPROVEMENTS, AS DESCRIBED HEREIN, CONSISTENT WITH CALIFORNIA HEALTH AND SAFETY CODE § 33445.1, AND CERTAIN RELATED ACTIONS

WHEREAS, the City Council reaffirmed and updated the 2022-23 Annual Budget on August 10, 2022; and

WHEREAS, the City Manager has prepared a 1st Quarter 2022-23 budget update to brief City Council on the City’s current budget status, including preliminary 2021-22 results and 2022-23 year-to-date expenditures; and

WHEREAS, the City Manager has proposed a 1st Quarter budget adjustment as listed in Exhibit 1 to this resolution, including updates to both the 2021-22 budget for the General Fund year-end surplus; updates to the 2022-23 operating budget; and updates to the capital improvement budget with proposed appropriation of unexpended Successor Agency bond proceeds; and

WHEREAS, on August 2, 2016, City and Successor Agency entered into that certain Bond Expenditure Agreement (the “BEA”), which was approved by the California Department of Finance (the “DOF”) on November 11, 2016 that enabled the Successor Agency to transfer unspent former redevelopment agency (the “RDA”) bond proceeds (the “Bond Proceeds”) to the City in the amount authorized by DOF to fund capital projects benefiting the Redevelopment Project Area; and

WHEREAS, the BEA also transferred responsibility for compliance with applicable requirements of the HSC with respect to the use of the Bond Proceeds, which includes consistency with the California Health and Safety (the “HSC”), the RDA’s 2010-2014 Redevelopment Implementation Plan (the “RIP”), and the pertinent provisions of the bond documents applicable to the source of the Bond Proceeds; and

WHEREAS, consistent with HSC § 33445.1, the City may use BEA funding to pay all or a part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement (the “Public Improvement”) that is publicly owned if all of certain findings of benefit are made, as follows: i) the Public Improvement is publicly owned and of benefit to the Redevelopment Project Area; ii) the Public Improvement will help to eliminate blight within the Redevelopment Project Area or will directly assist in the provision of housing for low- or moderate-income persons; and iii) no other reasonable means of financing the Public Improvement are available to the community (the “HSC § 33445.1 Prerequisites”); and

WHEREAS, approval of this Resolution will confirm that the use of BEA funds to pay all or part of the Public Improvements are compliant with:

1. The HSC § 33445.1 Prerequisites (i.e., Fire Station No. 1, Fire Station No. 2, and Police

Station) because: i) all are all publicly owned and are of essential benefit to the Redevelopment Project Area; ii) the improvements proposed will eliminate urgent blighting conditions existing at each site and contribute to and set a standard for blight removal and avoidance in the Redevelopment Project Area in general; and iii) the City does not have any other sources that could be used in lieu of BEA funds; and

2. Goal 2 of the RDA's RIP, which includes the following objectives: i) sponsor necessary public improvements which are of benefit to the RDA Project Area; ii) continued a program of upgrading infrastructure in blighted areas; iii) sponsor the rehabilitation and development of community facilities; and iv) assist in the ongoing rehabilitation of existing community facilities and the development of new community facilities within the Downtown and other parts of the RDA Project Area; and
3. The pertinent provisions of the bond documents applicable to the source of the Bond Proceeds authorize the use of such Bond Proceeds primarily for public capital improvements; and

WHEREAS, this Resolution does not constitute a "project" for purposes of CEQA, as that term is defined by CEQA Guidelines § 15378, because this Resolution is an administrative activity that will not result in a direct or indirect physical change in the environment, per § 15378 (b) (5) of the CEQA Guidelines; and

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF THE CITY OF CALEXICO, AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and are a substantive part of this Resolution.

Section 2. The use of BEA funds to pay all or part of the Public Improvements are herewith determined to be compliant with:

1. The HSC § 33445.1 Prerequisites (i.e., Fire Station No. 1, Fire Station No. 2, Police Station and Public Library) because: i) all are all publicly owned and are of essential benefit to the Redevelopment Project Area; ii) the improvements proposed will eliminate urgent blighting conditions existing at each site and contribute to and set a standard for blight removal and avoidance in the Redevelopment Project Area in general; and iii) the City does not have any other sources that could be used in lieu of BEA funds; and
2. Goal 2 of the RDA's RIP, which includes the following objectives: i) sponsor necessary public improvements which are of benefit to the RDA Project Area; ii) continued a program of upgrading infrastructure in blighted areas; iii) sponsor the rehabilitation and development of community facilities; and iv)

assist in the ongoing rehabilitation of existing community facilities and the development of new community facilities within the Downtown and other parts of the RDA Project Area; and

3. The pertinent provisions of the bond documents applicable to the source of the Bond Proceeds authorize the use of such Bond Proceeds primarily for public capital improvements.

Section 3. The 2021-22 and 2022-23 budgets are amended as listed in Exhibit 1 to this resolution.

Section 4. The City Manager is authorized to allocate the budgeted vacancy savings target between General Fund departments as needed to match the savings realized by various departments.

Section 5. This Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines § 15378, because this Resolution is an administrative activity that will not result in a direct or indirect physical change in the environment, per § 15378 (b)(5) of the Guidelines.

Section 6. This Resolution shall take effect upon the date of its adoption.

PASSED AND ADOPTED at a meeting of the City Council of the City of Calexico this 7th day of November, 2022.

Javier Moreno, Mayor

ATTEST:

Gabriela T. Garcia, City Clerk

APPROVED AS TO FORM:

Carlos Campos, City Attorney

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL) SS.
CITY OF CALEXICO)

I, Gabriela T. Garcia, Deputy City Clerk of the City of Calexico do hereby certify that the foregoing Resolution No. 2022-xx was passed and adopted by the City Council on the 7th day of November 2022 by the following vote to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

Gabriela T. Garcia, City Clerk

City of Calexico
Proposed Midyear Budget Adjustments
 November 7, 2022

		Fund Balance Impact
<u>2021-22</u>		
111 <u>General Fund</u>		
To adjust 2021-22 General Fund budget to approve transfer to Local Capital Fund to fund projects approved in 2022-23 budget and to establish a preliminary General Capital Reserve; and to approve program contribution to new Internal Service Fund to begin amortization of City obligation for accumulated employee leave balances; and to adjust offsetting expenditure and revenue budget lines for favorable trends to maintain balanced 2021-22 budget.		
Expenditures		
Transfer to Local Capital Fund/General Capital Reserve	\$ (517,500)	
ISF Program Contribution/Employee Leave Obligation Reserve	(100,000)	
ISF Program Rebates - Active employee benefits	215,000	
ISF Program Rebates - Retiree medical benefits	227,500	
Revenue		
Business License	25,000	
Transient Tax	50,000	
Planning and Building Fees	100,000	
		0
<u>2022-23</u>		
111 <u>General Fund</u>		
Revenues		
To adjust revenue budget to reflect current trends		
Property Tax	\$ 21,000	
Business License	10,000	
Franchise Fees	46,000	
Transient Tax	60,000	
Real Property Transfer Tax	8,000	
Housing In Lieu of Property Tax	7,000	
Rents	5,000	
Police Program Fees	37,000	
Recreation Program Fees	15,000	
Administration Program Fees	10,000	
		219,000
Expenditures		
To adjust expenditure budget for proposed updates to staffing plans and compensation (8 months); and to update professional service budget to address service backlog in Planning & Building		
Park Maintenance - Conversion of (4) Permanent FTEs	(95,000)	
Police Chief	(17,000)	
Professional Services		
Planning & Building - Application Processing	(25,000)	
Planning & Building - Cannabis	(25,000)	
		(162,000)
Net Change in Fund Balance, to Maintain 60 Day General Fund Reserve		57,000
233 <u>Measure D</u>		
To transfer portion of 2nd Street Bridge budget from Local Capital Fund to Measure D Fund, with no net change in project budget		
944 Second Street Bridge	(2,196,192)	(2,196,192)

**City of Calexico
Proposed Midyear Budget Adjustments
November 7, 2022**

		Fund Balance Impact
<u>2021-22</u>		
111 <u>General Fund</u>		
To adjust 2021-22 General Fund budget to approve transfer to Local Capital Fund to fund projects approved in 2022-23 budget and to establish a preliminary General Capital Reserve; and to approve program contribution to new Internal Service Fund to begin amortization of City obligation for accumulated employee leave balances; and to adjust offsetting expenditure and revenue budget lines for favorable trends to maintain balanced 2021-22 budget.		
Expenditures		
Transfer to Local Capital Fund/General Capital Reserve	\$ (517,500)	
ISF Program Contribution/Employee Leave Obligation Reserve	(100,000)	
ISF Program Rebates - Active employee benefits	215,000	
ISF Program Rebates - Retiree medical benefits	227,500	
Revenue		
Business License	25,000	
Transient Tax	50,000	
Planning and Building Fees	100,000	
		0
<u>2022-23</u>		
111 <u>General Fund</u>		
Revenues		
To adjust revenue budget to reflect current trends		
Property Tax	\$ 21,000	
Business License	10,000	
Franchise Fees	46,000	
Transient Tax	60,000	
Real Property Transfer Tax	8,000	
Housing In Lieu of Property Tax	7,000	
Rents	5,000	
Police Program Fees	37,000	
Recreation Program Fees	15,000	
Administration Program Fees	10,000	
		219,000
Expenditures		
To adjust expenditure budget for proposed updates to staffing plans and compensation (8 months); and to update professional service budget to address service backlog in Planning & Building		
Park Maintenance - Conversion of (4) Permanent FTEs	(95,000)	
Police Chief	(17,000)	
Professional Services		
Planning & Building - Application Processing	(25,000)	
Planning & Building - Cannabis	(25,000)	
		(162,000)
Net Change in Fund Balance, to Maintain 60 Day General Fund Reserve		57,000
233 <u>Measure D</u>		
To transfer portion of 2nd Street Bridge budget from Local Capital Fund to Measure D Fund, with no net change in project budget		
944 Second Street Bridge	(2,196,192)	(2,196,192)

Exhibit 1 to Resolution, Continued

Fund Balance Impact

411 Local Capital Fund

To Reduce 2nd Street Bridge budget for project budget moved to Measure D Fund

#944 Second Street Bridge 2,196,192

To appropriate residual Successor Agency bond proceeds for City Facility projects

Fire Station #1 (1,872,000) FY 2021-22

Fire Station #2/Mold Mitigation & Roof Repair (500,000)

Police Conference Room & Dispatch/Roof Repair (90,000)

(265,808)

Subtotal, 2021-22 Fire Station #1 (1,872,000)

Subtotal, 2022-23 1,606,192

(265,808)

255/ARPA

To reallocate ARPA budget for urgent City Facility repairs and capital projects

Enrique Camarena Memorial Library/Restrooms, Roof (400,000)

Community Senior Hall/Roof Repair (75,000)

Fire Station No. 1 (Old Court House)/Roof Repair (50,000)

Water Distribution Breakroom/Roof Repair (65,000)

Calexico International Airport/Roof (50,000)

City Hall/Council Chambers/Roof Repair (75,000)

City Hall/Carpet Replacement (85,000)

Carnegie Technology Center/3 AC Units Mini Split (35,000)

Senior Hall Air Conditioning (15,000)

Restrooms/Various Water Heaters (10,000)

827 E. 7th Street/United Families (Lease Building)/Roof (65,000)

827 E. 7th Street/United Families (Lease Building)/New AC (20,000)

Community Center Lighting (Moved from Measure H) (32,000)

Fire Radios (Increase from #411 budget of \$105,000) (37,000)

Technology (Laptops, City Council Chamber Projection) (100,000)

(1,114,000)

To reallocate ARPA budget for one-time Planning and Building support

Development Fee Study (100,000)

Update Housing Element (150,000)

Operations/Process Update (100,000)

(350,000)

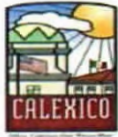
To reduce current ARPA Downtown allocation for new Capital and Planning/Building Support allocations

<u>Current</u>	<u>Adjustment</u>	<u>Proposed</u>
3,000,000	(1,464,000)	1,536,000

1,464,000 1,464,000

Total, All Funds

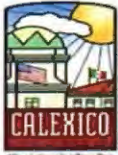
\$ (2,405,000)



ATTACHMENT A
2022-23 1st Quarter Budget Report

City-wide Expenditures
Summary of Expenditures by Fund

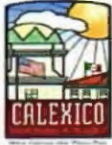
	Budget			YTD Actual 10-6-22	Remaining Budget	% Used	Notes
	Current	1st Q Update	Adjusted				
General Fund							
111	General Fund	\$ 18,745,815	\$ 162,000	\$ 18,907,815	\$ 4,839,294	\$ 14,068,521	26%
120	Measure H Sales Tax	3,448,000		3,448,000	937,833	2,510,167	27%
Operating Grant Funds							
221	Library Grants	53,874		53,874	7,501	46,373	14%
222	Community Donations	62,662		62,662	827	61,835	1%
231	Gas Tax	1,103,495		1,103,495	247,614	855,881	22%
242	Prop 172/Public Safety Tax	260,000		260,000	-	260,000	0%
243	COPS State Grant Program	200,000		200,000	-	200,000	0%
255	ARPA	8,296,487		8,296,487	2,004	8,294,483	0%
256	Cannabis/Applicant Reimburse	10,000		10,000	-	10,000	0%
281	Solid Waste	2,570,735		2,570,735	262,602	2,308,134	10%
299	Operating Grants	225,573		225,573	10,497	215,076	5%
712	Business Imp District	-		-	-	-	
Housing Funds							
802	Successor Housing	2,163,500		2,163,500	-	2,163,500	0%
840	Fed CDBG - Program Income	6,000		6,000	-	6,000	0%
841	Fed Home - Program Income	5,000		5,000	-	5,000	0%
842/3	Local Funds	1,500		1,500	-	1,500	0%
846	CalHome - Program Income	1,000		1,000	-	1,000	0%
Capital Project and Debt Service Funds							
223	Art in Public Places	103,000		103,000	-	103,000	0%
233	LTA/Measure D	8,570,340	2,196,192	10,766,532	-	10,766,532	0%
234/6	Transportation Development	226,165		226,165	10,452	215,713	5%
237	Road Maintenance Rehab	2,086,700		2,086,700	52,379	2,034,321	3%
402	Measure D Bond Proceeds	2,171,273		2,171,273	-	2,171,273	0%
411	Local Capital Projects	2,776,192	(1,606,192)	1,170,000	9,340	1,160,660	1%
412	Capital Grants	9,766,323		9,766,323	43,514	9,722,809	0%
430-6	Development Impact Fees	2,788,082		2,788,082	-	2,788,082	0%
452-64	Development Projects	2,963,457		2,963,457	-	2,963,457	0%
474-6	New River Projects	28,000,000		28,000,000	18,638	27,981,362	0%
301-10	Debt Service	2,791,200		2,791,200	154,500	2,636,700	6%
Enterprise Funds							
513	Water Operations	8,660,000		8,660,000	1,020,754	7,639,246	12%
514	Water Debt Service	873,326		873,326	14,221	859,104	2%
515	Water Development Fees	-		-	-	-	
516	Water Capital Program	14,657,000		14,657,000	6,960	14,650,040	0%
522	Airport Operations	392,964		392,964	64,415	328,549	16%
525	Airport Capital	4,212,565		4,212,565	747,284	3,465,281	18%
544	Wastewater Operations	6,099,000		6,099,000	690,828	5,408,172	11%
545	Wastewater Debt Service	1,184,411		1,184,411	9,501	1,174,911	1%
546	Wastewater Impact Fees	-		-	-	-	
547	Wastewater Capital	29,968,002		29,968,002	162,675	29,805,327	1%
CFD/Special Districts							
261	Bravo Victoria	885,000		885,000	8,983	876,017	1%
903	Hearthstone	1,216,617		1,216,617	273,501	943,116	22%
906	Gran Plaza	684,406		684,406	473,741	210,665	69% Annual principal paid
Internal Service Funds							
601/2	Active and Retire Medical	5,514,152		5,514,152	309,860	5,204,292	6%
603	Workers Compensation	1,278,000		1,278,000	487,742	790,258	38% Annual premium paid
604	Unemployment Insurance	62,271		62,271	-	62,271	0%
605	General Liability Insurance	1,020,200		1,020,200	675,928	344,272	66% Annual premium paid
601-5	Net Internal Charges	(7,874,623)		(7,874,623)	(1,473,530)	(6,401,093)	19%
		\$ 168,229,664	\$ 752,000	\$ 168,981,664	\$ 10,069,857	\$ 158,911,807	6%



ATTACHMENT B
2022-23 1st Quarter Budget Report

General Fund
Fund Balance Projection

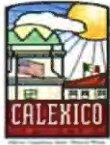
	2019-20		2020-21		2021-22		2022-23	
	Actual	Actual	Projected in	Preliminary	Proposed	Proposed 1st		
			22-23 Budget	Actual	Budget	Quarter		
		6-9-22	11-7-22	Updates	Budget			
Annual Activity								
Revenues								
Property Tax	\$ 5,835,809	\$ 6,059,538	\$ 6,176,935	\$ 6,185,124	\$ 21,000	\$ 6,321,474		
Sales Tax	4,162,826	3,938,933	4,875,000	4,780,293	-	5,030,000		
Other General Revenues	2,521,667	2,862,458	2,852,462	3,015,706	136,000	2,993,975		
Program Revenues	3,446,027	2,986,059	3,144,951	3,319,400	62,000	3,519,366		
Measure H Transfer	503,706	873,388	1,073,000	1,073,000	-	1,100,000		
One-time Revenues	103,504	-	-	-	-	-		
	16,573,538	16,720,375	18,122,348	18,373,522	219,000	18,964,815		
Expenditures								
Salaries and Benefits								
Gross salary and benefits	10,464,337	11,290,095	13,162,110	12,479,316	112,000	13,857,529		
ISF Active Medical Program Rebate	-	-	-	(215,000)	-	-		
Vacancy Assumption	-	-	(460,000)	-	-	(500,000)		
Measure H Reimbursement	(1,250,000)	(1,250,000)	(1,250,000)	(1,250,000)	-	(1,250,000)		
Grant/Other Reimbursements	(457,442)	(619,723)	(460,281)	(440,223)	-	(471,159)		
	8,756,895	9,420,372	10,991,829	10,574,093	112,000	11,636,371		
Operating Costs								
Operating Costs	4,004,262	3,741,069	4,029,820	4,121,444	50,000	4,465,065		
General Liability Insurance	443,427	713,838	591,998	591,995	-	670,181		
Contribution to CFD 2013	381,281	-	142,000	142,052	-	250,000		
Cost Allocation	(1,004,721)	(1,231,285)	(980,831)	(980,831)	-	(1,154,706)		
	3,824,249	3,223,621	3,782,987	3,874,660	50,000	4,230,540		
Capital and Debt Service								
Capital	53,976	194,433	41,000	42,026	-	-		
Transfer to Capital Fund	-	450,000	600,000	517,500	-	-		
Debt Service - Wastewater Loan	1,470,549	-	-	-	-	-		
Debt Service - JPIA Retrospective	633,778	-	-	-	-	-		
Debt Service - Leases	44,356	44,356	44,356	41,761	-	44,356		
Debt Servicee - County	-	-	46,000	46,000	-	-		
Employee Leave Obligation	-	-	-	100,000	-	-		
CalPERS - Unfunded Liability	1,363,248	1,573,657	1,811,531	1,841,209	-	2,098,541		
Retiree Medical - Benefit Payments	598,715	720,730	654,146	417,300	-	719,292		
Retiree Medical - Amortize Liability	-	100,000	100,000	100,000	-	178,715		
	4,164,621	3,083,177	3,297,033	3,105,796	-	3,040,904		
Total Expenditures	16,745,766	15,727,170	18,071,849	17,554,549	162,000	18,907,815		
Net Annual Operating Results	\$ (172,227)	\$ 993,205	\$ 50,499	\$ 818,974	\$ 57,000	\$ 57,000		
						0		
Fund Balance								
Beginning Fund Balance	\$ (263,724)	1,005,763	1,998,968	1,998,968	818,974	2,817,942		
Annual Operating Results	(172,227)	993,205	50,499	818,974	57,000	57,000		
Long-term Wastewater Advance	1,441,715	-	-	-	-	-		
Ending General Fund Balance	1,005,763	1,998,968	2,049,468	2,817,942	875,974	2,874,942		
Measure H Reserve Fund	-	-	125,000	82,444	(42,556)	234,444		
Combined General/Measure H Reserve	\$ 1,005,763	\$ 1,998,968	\$2,174,468	\$ 2,900,386	\$ 833,417	\$ 3,109,385		
% Annual Expenditures	6%	13%	12%	17%		16%		
Days of Operations		46	44	60		60		



ATTACHMENT C
2022-23 1st Quarter Budget Report

General Fund
Revenues

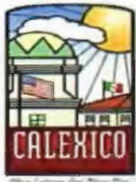
	2019-20	2020-21	2021-22		2022-23		% vs PY
	Actual	Actual	Projected in 22-23 Budget 6-9-22	Preliminary Actual 11-7-2022	Proposed Budget Updates	Proposed 1st Quarter Updates	
General Revenues							
Property Tax							
Property tax	\$ 2,078,613	\$ 2,128,675	\$ 2,135,000	\$ 2,148,740	\$ 21,000	\$ 2,198,700	2%
Property Tax in lieu of MVLF	3,110,247	3,200,348	3,252,435	3,252,615	-	3,317,484	2%
Residual Tax Incqement	606,079	730,515	789,500	783,769	-	805,290	3%
Residual - Land Sale	40,870	-	-	-	-	-	
	<u>5,835,809</u>	<u>6,059,538</u>	<u>6,176,935</u>	<u>6,185,124</u>	<u>21,000</u>	<u>6,321,474</u>	<u>2%</u>
Sales Tax							
	<u>4,162,826</u>	<u>3,938,933</u>	<u>4,875,000</u>	<u>4,780,293</u>	<u>-</u>	<u>5,030,000</u>	<u>5%</u>
Business License							
Business License	752,490	763,386	770,100	795,261	10,000	795,502	0%
Cannabis	46,628	290,317	200,000	202,759	-	204,000	1%
	<u>799,118</u>	<u>1,053,704</u>	<u>970,100</u>	<u>998,019</u>	<u>10,000</u>	<u>999,502</u>	<u>0%</u>
Franchise Fees							
PGE/Cable/Other	293,760	211,504	205,000	226,865	20,000	229,100	1%
Solid Waste	452,976	462,871	470,000	487,343	26,000	505,400	4%
	<u>746,736</u>	<u>674,375</u>	<u>675,000</u>	<u>714,207</u>	<u>46,000</u>	<u>734,500</u>	<u>3%</u>
Other Taxes							
Transient Tax	310,914	341,221	470,000	529,017	60,000	539,400	2%
30% to IVECA Fund	(93,274)	-	-	-	-	-	
RI Prop Trns Tx	29,070	38,296	60,000	69,157	8,000	69,200	0%
Hsg Ath In Lieu	128,077	151,821	73,000	81,211	7,000	81,460	0%
	<u>374,787</u>	<u>531,337</u>	<u>603,000</u>	<u>679,386</u>	<u>75,000</u>	<u>690,060</u>	<u>2%</u>
Money and Property							
Investment Earnings	5,255	(2,551)	-	11,632	-	12,000	3%
Rents And Concessions	239,559	248,174	241,000	244,940	5,000	246,000	0%
Water/Wastewater Leases	306,000	312,120	318,362	318,362	-	266,913	-16%
	<u>550,813</u>	<u>557,743</u>	<u>559,362</u>	<u>574,934</u>	<u>5,000</u>	<u>524,913</u>	<u>-9%</u>
Other Miscellaneous Revenue							
State VLF	33,398	29,995	45,000	46,771	-	45,000	-4%
Misc Income	16,815	14,887	-	2,390	-	-	-100%
Sale of Assets	103,504	417	-	-	-	-	
	<u>153,717</u>	<u>45,299</u>	<u>45,000</u>	<u>49,160</u>	<u>-</u>	<u>45,000</u>	<u>-8%</u>
Subtotal, General Revenues	<u>12,623,806</u>	<u>12,860,929</u>	<u>13,904,397</u>	<u>13,981,123</u>	<u>157,000</u>	<u>14,345,449</u>	<u>3%</u>
Program Revenues							
Police							
Vehicle Code Fines	17,429	18,903	15,000	18,612	5,000	20,000	7%
Alarm Permits	1,161	825	1,000	800	-	1,000	25%
SRO Program	49,224	-	-	-	-	-	
Special Service /Misc Revenue	36,036	26,199	25,000	34,138	9,000	34,000	0%
Towing Fees	53,417	52,122	40,000	40,906	-	50,000	22%
Livescan	26,856	1,194	30,000	32,946	3,000	33,000	0%
POST	20,285	-	5,000	12,825	-	5,000	-61%
Federal Grant/Bulletproof Vest	-	-	8,000	8,476	-	-	
Assessment District 2005-01	118,647	131,753	133,951	133,952	-	141,616	6%
Prkg Mtrs/Lots	265,254	204,727	270,000	273,196	20,000	295,000	8%
Traffic Control Grant	150,000	150,000	150,000	150,000	-	150,000	0%
Parking Citations	202,724	109,814	155,000	192,731	-	200,000	4%
Misc Fees/Services	5,315	263	5,000	450	-	5,000	
Animal Licenses/Control	6,672	5,926	6,000	6,823	-	7,000	3%
	<u>953,020</u>	<u>701,727</u>	<u>843,951</u>	<u>905,856</u>	<u>37,000</u>	<u>941,616</u>	<u>4%</u>



ATTACHMENT C, Continued
2022-23 1st Quarter Budget Report

General Fund
Revenues

	2019-20	2020-21	2021-22		2022-23		
	Actual	Actual	Projected in 22-23 Budget 6-9-22	Preliminary Actual 11-7-2022	Proposed Budget Updates	Proposed 1st Quarter Updates	% vs PY
Continued							
Fire							
Ambulance Fees	990,752	944,999	1,000,000	935,633	-	1,000,000	7%
Fire Prevention	284,941	263,192	250,000	282,298	-	255,000	-10%
Fire Late and Other Fees	13,051	5,999	10,000	1,846	-	10,200	453%
	-	-	-	-	-	-	-
	1,288,743	1,214,190	1,260,000	1,219,777	-	1,265,200	4%
Planning & Building							
Building							
Building permits	389,513	340,175	300,000	409,750	-	350,000	-15%
Mechanical permits	38,180	49,480	35,000	45,685	-	40,000	-12%
Plumbing permits	26,827	34,444	30,000	39,059	-	35,000	-10%
Electrical permits	80,805	79,569	120,000	71,526	-	130,000	82%
Other permits	(3,890)	2,265	3,000	1,253	-	3,500	179%
Plan Check Fees	83,482	68,043	90,000	100,009	-	150,000	50%
Code Enforcement	3,450	600	1,500	607	-	1,500	147%
Books, Maps and Publications	-	-	-	651	-	1,000	54%
Engineering							
Grading permits	-	-	500	-	-	1,000	-
Encroachment Permits	95,979	81,580	60,000	68,339	-	80,000	17%
Plan Check Fees-Engineering	-	-	-	49,254	-	1,000	-98%
Engineering/Inspection Fees	-	-	-	45,089	-	1,500	-97%
Books, Maps and Publications	-	-	-	2,210	-	3,000	36%
Planning							
Plan Check Fees	68,787	75,515	65,000	-	-	70,000	-
Inspection Fees	56,142	10,006	65,000	600	-	70,000	-
Books, Maps, Publications	110	296	-	19	-	50	165%
Year-to-Date Trend	-	-	(70,000)	-	-	-	-
	839,384	741,972	700,000	834,051	-	937,550	12%
Public Works							
State Highway Maintenance Fees	42,414	42,414	36,800	36,749	-	39,000	6%
	-	5,390	-	-	-	-	-
	42,414	47,804	36,800	36,749	-	39,000	6%
Parks, Recreation, and Library							
Recreation program fees	28,258	801	24,000	33,446	9,000	33,500	0%
Library fines and penalties	4,168	922	1,600	2,389	1,000	2,800	17%
Community Center activities	20,504	-	22,000	27,560	5,000	27,500	0%
Parks activities and events	13,230	470	5,000	4,839	-	5,000	3%
Leases	11,000	13,200	13,600	13,200	-	13,200	0%
CDCAC	2,858	300	-	-	-	-	-
	80,017	15,693	66,200	81,434	15,000	82,000	1%
Administration/Other							
Successor Agency Admin Fee	200,426	173,457	200,000	199,853	10,000	210,000	5%
Special District Admin Fee	17,022	40,528	38,000	41,680	-	44,000	6%
Other	25,000	50,688	-	-	-	-	-
Subtotal, Program Revenues	3,446,027	2,986,059	3,144,951	3,319,400	62,000	3,519,366	6%
Interfund Transfers							
Measure H	503,706	873,388	1,073,000	1,073,000	-	1,100,000	3%
Solid Waste	-	-	-	-	-	-	-
Federal Covid Relief	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
	503,706	873,388	1,073,000	1,073,000	-	1,100,000	3%
Total General Fund Revenues	\$ 16,573,538	\$ 16,720,375	\$ 18,122,348	\$ 18,373,522	\$ 219,000	\$ 18,964,815	3%
% Increase vs Prior Year	-2%	1%	8%	10%			



ATTACHMENT D
2022-23 1st Quarter Budget Report

General Fund
Expenditure Summary

	2020-21	2021-22		FY 2022-23			% of Budget
	Actual	Projected in 22-23 Budget 6-9-22	Preliminary Actual 11-7-22	Proposed Budget Updates	Proposed 1st Quarter Budget	Year-to-Date Actual 10-6-22	
General Fund in Total							
Salaries and Benefits							
Salary and Benefits	\$ 11,290,095	\$ 13,162,110	\$ 12,479,316	\$ 112,000	\$ 13,857,529	\$ 3,727,396	28%
Vacancy Assumption	-	(460,000)	-	-	(500,000)	-	
ISF Program Rebates	-	-	(215,000)	-	-	-	
Reimbursement - Measure H	(1,250,000)	(1,250,000)	(1,250,000)	-	(1,250,000)	(312,500)	25%
Reimbursement - Other Funds	(619,723)	(460,281)	(440,223)	-	(471,159)	(12,578)	3%
	9,420,372	10,991,829	10,574,093	112,000	11,636,371	3,402,318	29%
Operating Costs							
Materials/Supplies	663,465	817,414	790,352	-	852,917	186,676	22%
Repairs/Maintenance	301,889	316,715	247,124	-	414,454	27,099	7%
Contracts/Professional Services	2,519,681	2,539,053	2,764,712	50,000	2,825,780	543,888	19%
General Liability Insurance	713,838	591,998	591,995	-	670,181	165,836	25%
Administration/Office Costs	256,034	356,638	319,256	-	371,914	69,392	19%
Contribution to CFD 2013-1	-	142,000	142,052	-	250,000	-	0%
Transfers Out to Other Funds	-	-	-	-	-	-	
Cost Allocation	(1,231,285)	(980,831)	(980,831)	-	(1,154,706)	(263,677)	23%
	3,223,621	3,782,987	3,874,660	50,000	4,230,540	729,215	17%
Capital and Debt Service							
Capital	194,433	41,000	42,026	-	-	-	
Transfer to Capital Fund	450,000	600,000	517,500	-	-	-	
Debt Service - Advance	-	-	-	-	-	-	
Debt Service - JPIA	-	-	-	-	-	-	
Debt Service - Vehicle Leases	44,356	44,356	41,761	-	44,356	3,303	7%
Debt Service - County (CFD)	-	46,000	46,000	-	-	-	
Employee Leave Obligation	-	-	100,000	-	-	-	
Pension - Unfunded Liability	1,573,657	1,811,531	1,841,209	-	2,098,541	524,635	25%
Retiree Medical - Benefit Payments	720,730	654,146	417,300	-	719,292	179,823	25%
Retiree Medical - Amortize Liability	100,000	100,000	100,000	-	178,715	-	0%
	3,083,177	3,297,033	3,105,796	-	3,040,904	707,762	23%
	15,727,170	\$ 18,071,849	\$ 17,554,549	\$ 162,000	\$ 18,907,815	\$ 4,839,294	26%

Summary by Department

Police

Salaries and Benefits	3,935,950	\$ 4,303,369	\$ 4,182,480	17,000	4,484,422	1,311,861	29%
Vacancy Assumption	-	-	-	-	-	-	
Reimbursement - Measure H	(850,000)	(850,000)	(850,000)	-	(850,000)	(212,500)	25%
Reimbursement - Grant Funds	(367,910)	(275,000)	(237,239)	-	(280,000)	-	0%
Reimbursement - Dispatch (50% Fire)	(245,466)	(229,248)	(257,868)	-	(336,484)	(82,192)	24%
Pension - Unfunded Liability	597,409	688,269	702,537	-	819,371	204,843	25%
Materials/Supplies	167,178	169,100	176,292	-	174,173	34,241	20%
Repairs/Maintenance	131,244	110,550	90,683	-	145,717	8,279	6%
Contracts/Professional Services	357,642	592,518	536,690	-	728,443	228,899	31%
General Liability Insurance	87,673	113,685	113,684	-	129,865	32,466	25%
Administration/Office Costs	59,298	88,880	86,998	-	91,546	14,866	16%
Capital Outlay	75,521	-	-	-	-	-	
	3,948,541	4,712,123	4,544,257	17,000	5,107,053	1,540,763	30%

Continued

ATTACHMENT D, Continued

	2020-21	2021-22		FY 2022-23			
	Actual	Projected in 22-23 Budget 6-9-22	Preliminary Actual 11-7-22	Proposed Budget Updates	Proposed 1st Quarter Budget	Year-to-Date Actual 10-6-22	% of Budget
Traffic Control/Parking							
Salaries and Benefits	278,722	301,888	284,084		304,748	83,677	27%
Pension - Unfunded Liability	24,223	28,276	28,276		31,005	7,751	25%
Materials/Supplies	45,608	55,100	52,993		59,711	4,906	8%
Repairs/Maintenance	893	8,950	5,222		8,950	1,721	19%
Contracts/Professional Services	418,461	351,658	390,089		301,658	40,941	14%
General Liability Insurance	7,529	9,473	9,473		10,253	2,563	25%
Administration/Office Costs	3,327	10,000	8,970		18,160	1,563	9%
Capital Outlay	-	-	-		-	-	
Debt Service - Vehicle Leases	44,356	44,356	41,761		44,356	3,303	7%
	<u>823,119</u>	<u>809,701</u>	<u>820,868</u>	<u>-</u>	<u>778,841</u>	<u>146,426</u>	<u>19%</u>
Animal Control							
Salaries and Benefits	154,239	166,498	141,286		177,452	46,017	26%
Pension - Unfunded Liability	16,149	18,850	18,850		20,670	5,168	25%
Materials/Supplies	7,232	17,500	11,480		18,025	3,105	17%
Repairs/Maintenance	-	16,250	53		16,738	0	0%
Contracts/Professional Services	6,979	6,700	19,010		6,901	6,094	88%
General Liability Insurance	4,857	6,316	6,316		6,835	0	0%
Administration/Office Costs	828	1,650	613		1,700	102	6%
Capital Outlay	-	-	-		-	-	
	<u>190,283</u>	<u>233,764</u>	<u>197,608</u>	<u>-</u>	<u>248,321</u>	<u>60,485</u>	<u>24%</u>
Fire							
Salaries and Benefits	3,530,186	4,076,686	4,011,369		4,409,238	1,373,523	31%
Reimbursement - Measure H	(400,000)	(400,000)	(400,000)		(400,000)	(100,000)	25%
Reimbursement - Grant Funds	(118,049)	(125,000)	(132,500)		(130,000)	-	0%
Reimbursement - Dispatch (50%)	245,466	229,247	257,868		336,484	82,192	24%
Pension - Unfunded Liability	557,353	640,784	656,194		750,151	187,538	25%
Materials/Supplies	191,082	207,100	225,141		232,850	65,633	28%
Repairs/Maintenance	52,853	36,700	20,695		58,000	4,133	7%
Contracts/Professional Services	209,747	215,925	202,368		321,235	13,440	4%
General Liability Insurance	68,730	88,421	88,421		95,690	23,923	25%
Administration/Office Costs	17,940	35,100	17,085		38,350	2,858	7%
Capital Outlay	111,415	16,000	15,377		-	-	
	<u>4,466,723</u>	<u>5,020,963</u>	<u>4,962,017</u>	<u>-</u>	<u>5,711,999</u>	<u>1,653,238</u>	<u>29%</u>
Planning & Building							
Salaries and Benefits	355,845	687,297	604,114		836,986	179,295	24%
Vacancy Assumption	-	(200,000)	-		(100,000)	-	
Reimbursement - Grant Funds	-	-	-		-	-	
Pension - Unfunded Liability	56,520	65,978	65,977		82,681	20,670	25%
Materials/Supplies	25,223	29,400	35,185		35,959	9,616	27%
Repairs/Maintenance	2,867	9,200	6,009		9,200	940	10%
Contracts/Professional Services	204,256	161,475	314,683	50,000	124,025	17,324	14%
General Liability Insurance	17,000	22,105	22,105		27,340	6,835	25%
Administration/Office Costs	14,953	36,950	27,446		37,450	5,989	16%
Capital Outlay	-	-	-		-	-	
	<u>676,663</u>	<u>812,405</u>	<u>1,075,520</u>	<u>50,000</u>	<u>1,053,640</u>	<u>240,669</u>	<u>23%</u>
Public Works							
Salaries and Benefits	607,759	690,722	579,109	95,000	856,895	165,767	23%
Vacancy Assumption	-	(100,000)	-		(125,000)	-	
Reimbursement - Grant Funds	(71,969)	(59,030)	(78,018)		(61,159)	(12,578)	21%
Pension - Unfunded Liability	63,626	72,480	72,480		79,444	19,861	25%
Materials/Supplies	105,272	189,440	155,883		160,118	35,236	22%
Repairs/Maintenance	30,555	65,915	65,819		102,455	2,396	2%
Contracts/Professional Services	68,943	84,953	68,449		113,239	18,925	17%
General Liability Insurance	42,962	52,705	52,705		54,304	13,576	25%
Administration/Office Costs	37,057	40,292	37,816		41,342	7,138	17%
Capital Outlay/Transfer to Capital Fund	-	-	-		-	-	
	<u>884,204</u>	<u>1,037,477</u>	<u>954,243</u>	<u>95,000</u>	<u>1,221,638</u>	<u>250,321</u>	<u>20%</u>

Continued

ATTACHMENT D, Continued

	2020-21	2021-22		FY 2022-23			
	Actual	Projected in 22-23 Budget 6-9-22	Preliminary Actual 11-7-22	Proposed Budget Updates	Proposed 1st Quarter Budget	Year-to-Date Actual 10-6-22	% of Budget
Community Services (Library, Recreation)							
Salaries and Benefits	546,396	694,717	599,840		762,235	177,193	24%
Vacancy Assumption	-	-	-		(15,000)	-	
Pension - Unfunded Liability	72,669	80,114	80,115		87,848	21,962	25%
Materials/Supplies	65,676	93,450	85,467		99,886	21,633	22%
Repairs/Maintenance	24,352	25,550	15,772		25,195	4,013	16%
Contracts/Professional Services	68,608	112,490	109,587		163,899	53,538	33%
General Liability Insurance	21,056	26,842	26,841		29,049	7,262	25%
Administration/Office Costs	17,794	25,625	15,647		26,098	6,194	24%
Capital Outlay	-	-	-		-	-	
	<u>816,550</u>	<u>1,058,788</u>	<u>933,270</u>	<u>-</u>	<u>1,179,209</u>	<u>291,795</u>	<u>25%</u>
Housing							
Salaries and Benefits	135,461	197,466	104,127		204,236	31,651	24%
Vacancy Assumption	-	(95,000)	-		(75,000)	-	
Pension - Unfunded Liability	20,186	23,563	23,563		20,670	5,168	25%
Materials/Supplies	520	650	730		650	13	2%
Repairs/Maintenance	21	-	-		-	-	0%
Contracts/Professional Services	24,413	14,750	25,238		15,450	-	0%
Administration/Office Costs	2,114	8,866	1,076		8,894	128	1%
Cost Allocation to Housing Funds	(96,297)	-	-		(100,000)	-	0%
	<u>86,417</u>	<u>150,295</u>	<u>154,734</u>	<u>-</u>	<u>74,900</u>	<u>36,960</u>	<u>49%</u>
Administration, Finance, Non-Dept							
Salaries and Benefits	1,745,538	2,043,467	1,757,906		1,821,318	358,412	22%
Vacancy Assumption	-	(65,000)	-		(185,000)	-	
Reimbursement - Other Funds	(61,794)	(1,250)	7,534		-	-	
Employee Leave Obligations	-	-	100,000		-	-	
Pension - Unfunded Liability	165,522	193,217	193,217		206,701	51,675	25%
Retiree Medical - Benefits	720,730	654,146	417,300		719,292	179,823	25%
Retiree Medical - Unfunded	100,000	100,000	100,000		178,715	-	0%
Materials/Supplies	55,674	55,674	47,181		71,545	12,294	17%
Repairs/Maintenance	59,105	43,600	42,871		48,200	5,616	12%
Contracts/Professional Services	1,160,634	998,584	1,098,597		1,050,929	164,727	16%
General Liability Insurance	464,029	272,451	272,450		316,845	79,211	25%
Administration/Office Costs	102,723	109,275	123,606		108,375	30,555	28%
Contribution to CFD 2013-1	-	142,000	142,052		250,000	-	0%
Transfer Out to IVECA Fund	-	-	-		-	-	
Transfer Out to Developer Fund	-	-	-		-	-	
Transfer Out to Capital Fund	450,000	600,000	517,500		-	-	
Cost Allocation	(1,134,988)	(980,831)	(980,831)		(1,054,706)	(263,677)	25%
Capital Outlay	7,497	25,000	26,649		-	-	
Debt Service - Advance	-	-	-		-	-	
Debt Service - JPIA	-	-	-		-	-	
Debt Service - County	-	46,000	46,000		-	-	
	<u>3,834,671</u>	<u>4,236,333</u>	<u>3,912,032</u>	<u>-</u>	<u>3,532,214</u>	<u>618,637</u>	<u>18%</u>
Total General Fund Expenditures	<u>\$ 15,727,170</u>	<u>\$ 18,071,849</u>	<u>\$ 17,554,549</u>	<u>\$ 162,000</u>	<u>\$ 18,907,815</u>	<u>\$ 4,839,294</u>	<u>26%</u>



ATTACHMENT E
2022-23 1st Quarter Budget Report

Measure H
Fund #120

Purpose of Fund

Measure H is a local sales and use tax approved by the voters in June 2010, effective October 1, 2010. The sales tax add-on (transactions and use tax) is a general-purpose tax of .5% applicable on sales within the City of Calexico and sales outside of the City under certain applicable criteria. The passage of the tax establishes a Measure H Oversight Advisory Committee to make recommendations on the use of the funds to the City Council.

Measure H Revenues pay for annual debt service on Measure H bonds issued in 2011 to fund capital projects, including fire station improvements, park improvements, and swimming pool. The Measure H committee has also in the past approved an annual allocation for Police and Fire personnel. During periods of fiscal distress, beginning in 2015, the City General Fund has drawn remaining Measure H balances to sustain current operations and to rebuild its fund balance reserve.

The budget for 2022-23 proposes three objectives for consideration by the Measure H Advisory Committee:

1. Over the next 6 years, the budget implements the Committee's reserve policy (adopted September 2011, Resolution # 2011-99) to set aside 10% of annual revenues to fund an emergency reserve. This policy had been adopted after the 2010 earthquake at the recommendation of State Office of Emergency Services. The proposed budget phases in this recommendation and achieves an annual 10% contribution in 6 years with a \$1.8 million accumulated reserve.
2. The budget maintains the current level of General Fund support with a 2% annual growth factor. This is recommended to sustain current General Fund operations without a disruption to current staffing and operations.
3. The proposed budget initiates a new program for discretionary consideration by the Measure H committee. The committee has proposed \$100,000 per year in new funding for Recreation Programs.

The Committee met on June 8, 2022 and voted to recommend the proposed budget to City Council after designating \$100,000 for Recreation Programs.

	2021-22 Actual	6-Year Projection				Notes
		2022-23 Budget	2023-24 Projection	2025-26 Projection	2027-28 Projection	
Beginning Fund Balance	\$ (0)	\$ 82,443	\$ 234,443	\$ 689,442	\$ 1,352,541	
Revenues						
Measure H Sales Tax	3,404,491	3,600,000	3,671,999	3,820,348	3,974,690	
			2%	2%	2%	
Expenditures						
Transfer to Debt Fund						
For Measure H Bond	999,048	998,000	998,000	998,000	998,000	
Public Safety Support						
Police	850,000	850,000	850,000	850,000	850,000	
Fire	400,000	400,000	400,000	400,000	400,000	
Transfer to General Fund						
To Sustain Operations	1,073,000	1,100,000	1,122,000	1,167,329	1,214,489	
			2%	2%	2%	
Recreation Programs	-	100,000	100,000	100,000	100,000	Removed Community Center Lighting and Library Roof Projects
	3,322,048	3,448,000	3,470,000	3,515,329	3,562,489	
Net Annual Activity						
Addition to Reserve Fund	82,443	152,000	201,999	305,019	412,201	Reserve Policy:
% of Revenues	2%	4%	6%	8%	10%	10% of Annual Revenue Emergency Reserve
Ending Fund Balance	\$ 82,443	\$ 234,443	\$ 436,442	\$ 994,461	\$ 1,764,743	

(See General Fund for
Combined General Fund/
Measure H Reserve)

ATTACHMENT F
2022-23 1st Quarter Budget Report
Proposed Investment in Capital Projects and Other One-Time Items

	<u>Measure D</u> <u>Fund 233</u>	<u>Successor</u> <u>Agency Bonds</u>	<u>ARPA</u> <u>Fund 255</u>
Available Balances, Before Proposed Actions			
Project Commitments	\$ 8,570,340	\$ 2,196,192	\$ 9,526,487
Available	3,747,221	271,059	-
Total	12,317,561	2,467,251	9,526,487
Proposed Budget Increases			
1 Move Existing Street Project Budget Between Funding Source			
Move 2nd Street Project to Measure D from Bonds Funds	2,196,192	(2,196,192)	
2 Increase Fire Station #1 Budget for Project Close-out			
To Increase budget for soft costs and pending change orders			
<u>Summary of Project Costs</u>			
Construction Contract, Actual to Date		6,112,190	
Soft Costs, Actual to Date		1,470,930	
Pending Change Orders			
Construction - Police Roof		72,352	
Construction - Other		588,529	
Design		45,000	
Roof Protection		3,011	
		8,292,012	
<u>Project Budget</u>	<u>Current</u>	<u>Increase</u>	<u>Proposed</u>
Measure H Bonds	6,220,012	-	6,220,012
ARPA (May 2022)	200,000	-	200,000
Successor Agency Bonds		1,872,000	1,872,000
	6,420,012	1,872,000	8,292,012
3 Add Budget for Urgent City Facility Repairs			
Fire Station #2/Mold Mitigation & Roof Repair			500,000
Police Conference Room & Dispatch/Roof Repair			90,000
Enrique Camarena Memorial Library/Restrooms, Roof			400,000
Community Senior Hall/Roof Repair			75,000
Fire Station No. 1 (Old Court House)/Roof Repair			50,000
Water Distribution Break Room/Roof			65,000
Calexico International Airport/Roof			50,000
City Hall/Council Chambers/Roof Repair			75,000
City Hall/Carpet Replacement			85,000
Carnegie Technology Center/3 AC Units Mini Split			35,000
Senior Hall Air Conditioning			15,000
Restrooms/Various Water Heaters			10,000
827 E. 7th Street/United Families (Lease Building)/Roof			65,000
827 E. 7th Street/United Families (Lease Building)/New AC			20,000
Community Center Lighting (Moved from Measure H)			32,000
Fire Radios (Increase from #411 budget of \$105,000)			37,000
Technology (Laptops, City Council Chamber Projection)			100,000
4 Planning and Building Support - One-time Operating Contracts			
Development Fee Study		100,000	100,000
Update Housing Element	-	150,000	150,000
Operations/Process Update		100,000	100,000
Subtotal, Proposed Expenditures	2,196,192	265,808	1,464,000
5 Reclass Existing ARPA Budget for Proposed Capital and Planning/Building Support			
<u>Current</u>	<u>Adjustment</u>	<u>Proposed</u>	
Downtown Rehabilitation	3,000,000	(1,464,000)	1,536,000
			(1,464,000)
Available Balances, After Proposed Actions	\$ 1,551,029	\$ 5,251	\$ -



ATTACHMENT G
2022-23 1st Quarter Budget Report

Public Works
Local Transportation Authority/Measure D
Fund #233

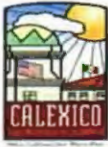
Purpose of Fund

Measure D is a retail transaction and use tax of .5% enacted in July 1989 pursuant to the provisions of the Public Utilities Code for local streets and roads and state highways within Imperial County. The Imperial County Local Transportation Authority was created to administer the program. The revenue generated provides funding for transportation improvements. The distribution of funds is based on an allocation of a sum of \$75,000 to each Local Agency annually and the remaining revenues to be distributed based on population. The priorities for expenditures of these funds are to repair and rehabilitate existing roadways, reduce congestion and improve safety, and to provide for construction of needed facilities. Expenditures must be in accordance with the approved plan or amended plan as submitted to the authority .

	2020-21 Projected 6-9-22	2021-22 Prelim Actual 11-7-22	2022-23 Adopted Budget	2022-23 Proposed 11-7-22	Notes
Beginning Fund Balance	\$ 9,434,050	\$ 9,434,050	\$ 10,444,443	\$ 10,817,561	
Annual Activity					
Revenues					
Local Transportation Sales Tax	1,161,573	1,565,628	1,219,292	1,500,000	
Investment Income	-	-	-	-	
	1,161,573	1,565,628	1,219,292	1,500,000	
Expenditures					
Operations					
216 Traffic Control	150,000	150,000	150,000	150,000	
Capital Outlay					
901 Cesar Chavez	-	-	-	-	
902 Street Improvements/Overlay	-	-	-	-	
944 Second Street Bridge	-	-	1,460,000	1,460,000	
946 Downtown Street Improv	-	-	400,000	400,000	
956 Composite Layer Overlay	-	22,825	2,464,727	2,464,727	
967 Scaroni Road Improvements	-	-	775,613	775,613	
969 Weakley Road Improvements	1,181	9,292	-	-	
982 De Las Flores	-	-	-	-	
944 Second Street Bridge	-	-	-	2,196,192	Proposed 11-7-22 Move Budget from #411
91-906 Second Street (All American Canal)	-	-	3,086,000	3,086,000	
91-916 Cole Blvd. Between ML King and Bower	-	-	234,000	234,000	
	151,181	182,117	8,570,340	10,766,532	
	-	-	-	-	
Net Annual Activity	1,010,392	1,383,511	(7,351,048)	(9,266,532)	Proposed Reserve \$1.5 million One Year Overlay
Ending Fund Balance	\$ 10,444,443	\$ 10,817,561	\$ 3,093,395	\$ 1,551,029	

5-Year CIP Program

2023-24	1,500,000
2024-25	1,500,000
2025-26	1,500,000
2026-27	1,500,000
	<u>6,000,000</u>



ATTACHMENT H
2022-23 1st Quarter Budget Report

Local Capital Projects/General Capital Fund
Fund #411

Purpose of Fund

This fund is used to track capital project spending from the City's local funds. The City has received Redevelopment Bond proceeds approved by the State Department of Finance for expenditure on City capital projects. The Fund also receives General Fund transfers for equipment/vehicle replacements.

	2021-22	2022-23		Notes
	Proposed 11-7-22	Adopted 8-10-22	Proposed 11-7-22	
Beginning Fund Balance	\$ 3,085,084	\$ 3,562,084	\$ 1,617,401	
Revenues				
Transfer in - General Fund	517,500	-	-	
Investment Income	7,966	-	-	
	525,466	-	-	
Expenditures				
Salaries and Benefits	255,351	21,034	21,034	
Less Allocations to CIP Projects	(255,351)	(21,034)	(21,034)	
Capital Outlay				
From Successor Agency Bonds				
944 Second Street Bridge	-	2,196,192	-	Reclass to Measure D
916 Fire Station #1	1,872,000			Proposed 11-7-22
TBD Fire Station #2/Mold Mitigation & Roof Repair			500,000	Proposed 11-7-22
997 Police Conference Room & Dispatch/Roof Repair			90,000	Proposed 11-7-22
From General Fund				
997 Police Vehicles (From 2021 PD Transfer for Feb 2022 purchase)	73,000	-	-	
From 2020-21 General Fund Transfer				
997 Parks - Service Truck	-	30,000	30,000	Project Carryover
997 Public Works Vehicles	-	90,000	90,000	Project Carryover
997 Bucket Truck	-	250,000	250,000	Project Carryover
997 Parks - Machinery/Equip	21,278	-	8,722	Updated Project Carryover
997 Library Roof/Air Conditioner Repair	8,277	15,000	16,723	Updated Project Carryover
997 City Hall Computers	8,409	15,000	6,591	Updated Project Carryover
997 Old City Hall repair	10,184	-	-	
From 2021-22 General Fund Transfer				
997 Fire Equipment - Radios		105,000	105,000	8-10-22 Reso
Pending Consideration of Electric Costs/Options				
997 Public Works Vehicle Replacement		155,000	155,000	8-10-22 Reso
997 Planning/Building Vehicle Replacement		40,000	40,000	8-10-22 Reso
From Fund Balance				
997 Parks - Service Truck (Price Correction from 2022 1st Q Report)		15,000	15,000	
91-921 311 Cesar Chavez Demolition		60,000	60,000	8-10-22 Reso
	1,993,149	2,971,192	1,367,035	
Net Annual Activity	(1,467,683)	(2,971,192)	(1,367,035)	
Ending Fund Balance	\$ 1,617,401	\$ 590,892	\$ 250,366	
Balance Sheet				
Cash	1,022,150	319,833	245,115	
Restricted - Successor Agency Bonds	595,251	271,059	5,251	
Available Fund Balance	\$ 1,617,401	\$ 590,892	\$ 250,366	General Capital Reserve
	-	-	0	



ATTACHMENT I
2022-23 1st Quarter Budget Report

American Rescue Act Plan (ARPA)
Fund #255

	Budget			Actual, Contract, and Budget	Available
	Original	Prior	Pending	Committments	
	3-16-22	Updates	Discussion		
Federal Grant	\$ 9,526,487	\$ -	\$ -	\$ 9,526,487	
Project Allocations					
Authorized 10-6-21					
91-907 Fire Vehicle Replacements					
(2) Fire Rescue Ambulances	374,000			374,000	
(3) Utility Vehicles	300,000			300,000	
91-907 Police Vehicle Replacements					
(6) Ford Explorer Patrol Vehicles	438,000			438,000	
(2) Pickup Truck Patrol Vehicles	166,000			166,000	
	1,278,000	-	-	1,278,000	0
Authorized 11-3-21					
Employee Payments	1,030,000	-	-	1,028,835	1,165
Authorized 3-16-22 (Plan B)					
91-908 Downtown Rehabilitation:	3,000,000				
11/3/2022 - Pressure Washer				25,000	
	3,000,000	-	-	25,000	2,975,000
91-909 Essential Worker Relief Program	1,000,000			-	1,000,000
91-910 Outreach Specialist	180,000				
June 2022 - Reallocation to 2022 Summer Swim Program				41,912	
	180,000	-	-	41,912	138,088
91-911 Emergency Response	1,000,000				0
Ambulance				1,000,000	0
8-10-22 2021 Police Vehicle Contract				210,000	(210,000)
8-10-22 Fire Hose				9,000	(9,000)
	1,000,000			1,219,000	(219,000)
91-912 Public Facilities/IT Upgrades	1,000,000			1,000,000	1,000,000
91-913 City Broadband Infrastructure	450,000			450,000	450,000
91-914 Emergency Park Infrastructure/Restroom, Water Access	500,000			500,000	228,000
91-915 Contingency	88,487			88,487	88,487
Authorized May 2022 (3rd Quarter Report)					
916 Fire Station Improvements				200,000	(200,000)
	9,526,487	-	-	4,064,747	5,461,740
For Discussion November 7, 2022					
City Facilities					
Enrique Camarena Memorial Library/Restrooms, Roof				400,000	
Community Senior Hall/Roof Repair				75,000	
Fire Station No. 1 (Old Court House)/Roof Repair				50,000	
Water Distribution Break Room/Roof				65,000	
Calexico International Airport/Roof				50,000	
City Hall/Council Chambers/Roof Repair				75,000	
City Hall/Carpet Replacement				85,000	
Carnegie Technology Center/3 AC Units Mini Split				35,000	
Senior Hall Air Conditioning				15,000	
Restrooms/Various Water Heaters				10,000	
827 E. 7th Street/United Families (Lease Building)/Roof				65,000	
827 E. 7th Street/United Families (Lease Building)/New AC				20,000	
Community Center Lighting (Moved from Measure H)				32,000	
Fire Radios (Increase from #411 budget of \$105,000)				37,000	
Technology (Laptops, City Council Chamber Projection)				100,000	
				1,114,000	1,114,000
One-time Planning & Building Operating Contracts					
Development Fee Study				100,000	
Update Housing Element				150,000	
Operations/Process Update				100,000	
				350,000	350,000
Additional Items for Future Discussion					
999 Heber Park (Supplement to State Grant)				-	-
				\$ 1,464,000	\$ 3,997,740